

## Kentucky Agricultural Development Fund



# 2008 FARMERS' MARKET COMPETITIVE AWARDS PROGRAM

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The following guidelines have been developed for the implementation of a *Farmers' Market Competitive Awards Program*, utilizing state Agricultural Development Funds.

### Definitions:

For the purposes of this program, a **Regional Farmers' Market** shall be defined by the following criteria:

- Multi-county commitment in the form of significant financial investment by the involved counties. Letters of support shall not be the extent of the commitment.
- Partners are chosen to assure sustainability. Partners may include Extension, the fiscal court and other established county entities from each county represented. Tourism groups may also be a good fit.
- Growers from the counties should be strongly represented and have decision making roles.
- Financial contribution from the county council of all involved counties would be seen as a plus.
- Feasibility of market sustainability will be crucial. All expenditures must be shown to improve farmer income from present marketing opportunities and generate enough income from the activity for the market to justify the activity.
- The market should be designed to provide a value-added benefit to the farm from present markets.
- The market should have a local/regional management and ownership and be responsive to regional resources.

For the purposes of this program, a **Community Farmers' Market** shall be defined as a market where more than one farmer gathers to sell Kentucky agricultural products they have grown or raised with an established membership and formalized market location. Other activities and other sellers may be accommodated at the marketplace, but the sale of Kentucky agricultural products is the focal point of the market activity. Market days and times shall be established and publicized. These markets may have member farmers from several counties but the counties themselves have no investment.

**Funding Availability:**

\$1,776,043 million state funds for 2008 divided in the following manner:

- 35% allocated for [Regional Farmers' Markets](#)
- 55% allocated for [Community Farmers' Markets](#)
- 10% allocated for [Feasibility/Business Planning](#)

**Eligible Applicants:**

Any Regional or Community Farmers' Market fitting the above definitions.

**Matching Funds:**

All projects require a 50% match from the applicant.

**Application:**

Applicants must fill out the Agricultural Development Fund Project Application and submit the original and 16 copies to the Governor's Office of Agricultural Policy.

In the event that no application meets the minimum requirements established by the Board, no applications will be funded in that cycle. At that time the Board may transfer funds to the next round of the Farmers' Market Competitive Awards Program.

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## Regional Farmers' Market Applicants

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- Management expenses are eligible as applicants match one time for up to three years
- Management expenses cannot exceed 30% of applicant's match
- Requests for over \$100,000 require a feasibility study
- For every dollar of county funds committed, applicant is eligible for two dollars of state funds. The total amount of agricultural development board funds (state and county) can not exceed fifty percent of total project cost.
- Funds will only go towards capital expenditures

## Community Farmers' Market Applicants

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- A County Agricultural Development Council must commit a minimum of \$1,000 to a project for it to be eligible for state funds.
- Funds provided by county based agricultural organizations (i.e. county Farm Bureau, county Cattlemen Association), county based agri-businesses, and agricultural lenders shall make the project eligible for state funds on a dollar for dollar basis.
- The total amount of state and county Agricultural Development Funds and contributions provided by county-based agricultural organizations and business shall not exceed 50% of the total project cost. Thus, the applicant must provide 50% of total cost of project in matching funds.
- Maximum amount of state funds available through this program is \$50,000.
- Management expenses are NOT eligible expenses
- Funds will only go towards capital expenditures

## Farmers' Market Feasibility / Business Plan Applicants

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- Regional and Community Farmers' Markets are eligible with dollar for dollar match.
- Applicants with commitments of County Agricultural Development Funds will be given a greater weight as part of the competitive application process.
- The request for County and State Agricultural Development Funds cannot exceed 50% of the total cost of the proposal.